



## **Morton General Hospital Charity Care Policy**

### **Purpose:**

The purpose of this policy is to outline the circumstances under which charity care discounts may be provided to qualifying low income patients for medically necessary healthcare services provided by Lewis County Hospital District #1 DBA Morton General Hospital (MGH) and its affiliated clinics.

### **Policy:**

MGH is a community healthcare organization guided by a commitment to its Mission and Core Values. It is both the philosophy and practice of MGH that medically necessary healthcare services are available to community members and those in emergent medical need, without delay, regardless of their ability to pay.

- MGH will comply with federal and state laws and regulations relating to emergency medical services and charity care.
- MGH will provide charity care to qualifying patients with no other primary payment sources to relieve them of all or some of their financial obligation for medically necessary MGH healthcare services.
- In alignment with its Core Values, MGH will provide charity care to qualifying patients in a respectful, compassionate, fair, consistent, effective and efficient manner.
- MGH will not discriminate on the basis of age, sex, race, creed, color, disability, sexual orientation, national origin, or immigration status when making charity care determinations.
- In extenuating circumstances, MGH may at its discretion approve charity care outside of the scope of this policy.

Charity care is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with MGH's requirements for obtaining charity care or other forms of payment or financial assistance. Patients who do not participate in the process could result in ineligibility of charity care.

### **Eligibility Criteria**

**Services:** The following healthcare services are eligible for charity care:

1. Charity care is granted for appropriate hospital based services. MGH recognizes appropriate hospital based services as defined by WAC 246-453-010(7) as "those hospital services which are reasonably calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective more conservative or substantially less costly course of treatment available or suitable for the person requesting the service. For purpose of this section, "course of treatment" may include mere observation or, where appropriate, no treatment at all". For affiliated clinics and physician services these are medically necessary services as defined by MGH policy.
2. Patients who reside outside the MGH defined area are not eligible for charity care, except under extenuating circumstances which may include but are not limited to :

- a. The patient requires emergent services while visiting the MGH service area and meets the eligibility requirements outlined in this policy.
3. Elective procedures are ineligible for charity care.

### **Eligibility for charity care:**

Charity care is secondary to all other financial resources available to the guarantor including but not limited to insurance, third party liability payers', government programs and outside agency programs. In situations where appropriate primary payment sources are not available, guarantors may apply for charity care based on the eligibility requirements in this policy.

The MGH service area is defined as Lewis County East of a line running North and South at Leonard Road and the additions areas of Ashford (zip code 98304), Elbe (zip code 99330), Eatonville (zip code 98328), Kaposwin (zip code 98344), Orting (zip code 98360), and Graham (zip code 98338).

1. The full amount of hospital charges will be determined to be charity care for any guarantor whose gross family income is at or below 100% of the current federal poverty guideline level (consistent with WAC 246-453), provided that such persons are not eligible for other private or public health coverage sponsorship (see RCW 70.170.060(5)).
2. The MGH sliding fee scale will be used to determine the amount to be written off as charity care for guarantors with incomes between 101% and 200% of the current federal poverty level after all funding possibilities available to the guarantor have been exhausted or denied and personal financial resources have been reviewed for possible funding to pay for billing charges.
3. Hospital charges may be written off as charity care for guarantors with family income in excess of 200% of the federal poverty level when circumstances indicate severe financial hardship or personal loss.

Eligibility for charity care shall be based on financial need at the time of the application date unless looking back more than 18 months. If we are looking back more than 18 months we will base the financial need on at the date of service income. All resources of the family as defined by the WAC 246-453-010(17) are considered in determining the applicability of the MGH sliding fee scale in Attachment A.

Eligibility on a completed application is valid for eligible services received within the subsequent ninety (90) days from application approval date. If their medical condition persists at the end of the 90 days they can reapply.

### **Eligibility Determination Process**

1. A person seeking charity care will be given an application with instructions on how to apply.
2. As part of this screening process MGH will review whether the guarantor has exhausted or is not eligible for any third-party payment sources. Where the guarantor's identification as an indigent person is obvious to MGH a prima-facie determination of eligibility may be made and in these cases MGH may not require an application or supporting documentation. All prima-facie determinations require approval of hospital CFO or designee.
3. A guarantor who may be eligible to apply for charity care after the initial screening will be given fourteen (14) days or such time as may reasonably be necessary to provide documentation to MGH to support a charity determination. Based upon documentation provided with the charity

application, MGH will determine if additional information is required, or whether a charity determination can be made. The failure of a guarantor to reasonably complete appropriate application procedures shall be sufficient grounds for MGH to initiate collection efforts.

4. An initial determination of sponsorship status and potential eligibility for charity care will be completed as closely as possible to the date of service or upon request by or on behalf of the patient.
5. Charity care forms, instructions and written applications shall be furnished to patients when charity care is requested, when need is indicated or when financial screening indicates potential need. All applications, whether initiated by the patient or the hospital will be accompanied by documentation to verify the family income amount indicated on the application form.  
Exception: Prima Facie Write Offs.
6. Any one or a combination of the following documents shall be considered sufficient evidence upon which to base the final determination of charity care eligibility:
  - a. "W-2" withholding statement;
  - b. Pay stubs from all employment during the relevant time period;
  - c. Income tax return from the most recently filed calendar year;
  - d. Forms approving or denying eligibility for Medicaid and or state-funded medical assistance;
  - e. Forms approving or denying unemployment compensation; or
  - f. Written statement from employers or DSHS employees

NOTE: additional information may be requested if the documentation does not support the patient's financial assistance application. E.g. for season workers a W2/income tax return may not be requested and paystubs alone may be used in order to ensure proper rating of the patient.

7. House hold – Family size is considered in the determination. MGH further clarifies the WAC definition of family size (related by blood, marriage, adoption) to include a family as parents, children and other members of the household that are claimed as dependents on federal income taxes for the most recent filed return. (e.g. If an adult child files their own taxes but lives in the home, MGH will not look at the parents income to evaluate their financial application.)
8. During the initial request period, the patient and the hospital may pursue other sources of funding, including Medical Assistance, Medicare or other known resources. The patient may be requested to apply for an applicable DSHS program/Washington Apple Health. Current determination, as well as future determination may be dependent upon the patient following through with one of the above programs. The hospital may not require a patient applying for a determination of indigent status seek bank or other loan source funding.
9. In the event that the responsible party is not able to provide any of the documentation described above, the hospital shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person. (WAC 246-453-030(04).
10. All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form. Documents pertaining to charity care shall be retained for five (5) years.
11. MGH will notify the guarantor of a final determination within fourteen (14) business days of receiving the necessary documentation.
12. The guarantor may appeal the determination of ineligibility for charity care by providing relevant additional documentation to MGH within thirty (30) days of the date on the notice of denial. Within the first fourteen days of this period, MGH will not refer the account at issue to an external collection agency. After the fourteen day period, if no appeal has been filed, the hospital may initiate collection activities.

13. All appeals will be reviewed and if the determination on appeal affirms the denial, written notification will be sent to the guarantor and the Department of Health in accordance with state law. The final appeal process will conclude within thirty (30) days of the receipt of a denial by the applicant.

### **Communication of Charity care**

MGH's charity care policy shall be made publicly available in the following ways:

- MGH will display Financial Assistance Availability signage at appropriate access areas.
- MGH will provide written notice of its charity care policy to patients upon request.

## Attachment A

### MGH Charity Care Percentage Sliding Fee Scale

<div style="text-align: center;"> <b>MORTON GENERAL HOSPITAL</b>  Charity Care-Income Guidelines  YEAR 2013 </div>							
DISCOUNT		100%	75%	50%	25%	NO DISCOUNT	
% OF Bill Pat Pays		NO PAY	25%	50%	75%	100%	
Family Unit Size	Annual Income						
1	From To	0 11,490	11,491 15,282	15,283 19,073	19,074 22,980	over	22,981
2	From To	0 15,510	15,511 20,628	20,629 25,747	25,748 31,020	over	31,021
3	From To	0 19,530	19,531 25,975	25,976 32,420	32,421 39,060	over	39,061
4	From To	0 23,550	23,551 31,322	31,323 39,093	39,094 47,100	over	47,101
5	From To	0 27,570	27,571 36,668	36,669 45,766	45,767 55,140	over	55,141
6	From To	0 31,590	31,591 42,015	42,016 52,439	52,440 63,180	over	63,181
7	From To	0 35,610	35,611 47,361	47,362 59,113	59,114 71,220	over	71,221
8	From To	0 39,630	39,631 52,708	52,709 65,786	65,787 79,260	over	79,261
FAMILIES OVER 8 ADD \$4,020 PER EACH ADDITIONAL PERSON							

\* Formula for Computation:

NO PAY = 's poverty guideline

Pay 25% = No Pay column X 1.33

Pay 50% = No Pay column X 1.66

Pay 75% = No Pay column X 2

If patient is between 200-300% of the poverty guideline we agreed with the State that we would not charge more than 30% over cost for services. Ron says our cost to charge ratio is greater than 70%--therefore this will not apply.

Guidelines available at <http://aspe.hhs.gov/poverty/09poverty.shtml>